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Fiscal Note

Drafting Number: LLS 24-0423
Prime Sponsors:

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Bill Status: Bill Request
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Bill Topic: **ASSIST RURAL COMMUNITY WILDFIRE-RELATED GRANT APP**

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill requires the Rural Opportunity Office in the Office of Economic Development and International Trade to assist rural communities in applying for wildfire-related grants. It increases state and local expenditures on an ongoing basis.

Appropriation Summary: For FY 2024-25, the bill requires an appropriation of \$157,972 to the Office of Economic Development and International Trade.

Fiscal Note Status: The fiscal note reflects the bill draft requested by the Wildfire Matters Review Committee.

Table 1
State Fiscal Impacts Under Bill 5

		Budget Year FY 2024-25	Out Year FY 2025-26
Revenue		-	-
Expenditures	General Fund	\$160,922	\$181,912
	Centrally Appropriated	\$32,136	\$47,755
	Total Expenditures	\$193,058	\$229,667
	Total FTE	1.6 FTE	2.5 FTE
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$24,138	\$27,287

Summary of Legislation

The bill requires that the Rural Opportunity Office in the Office of Economic Development and International Trade (OEDIT) provide technical assistance to rural communities to identify and apply for state and federal grants for wildfire mitigation, prevention, response, or risk-management efforts. OEDIT must also maintain a list of government grant programs on its web. Beginning July 1, 2025, OEDIT must make a biennial report to the General Assembly summarizing the work to assist rural communities with grant identification and application.

State Expenditures

The bill increases state expenditures in the Office of Economic Development by about \$194,000 in FY 2024-25 and \$230,000 in FY 2025-26, paid from the General Fund. Costs are shown in Table 2 and described below.

Table 2
Expenditures Under Bill 5

	FY 2024-25	FY 2025-26
Office of Economic Development		
Personal Services	\$129,244	\$175,762
Operating Expenses	\$2,048	\$3,200
Capital Outlay Costs	\$26,680	-
Travel Mileage	\$2,950	\$2,950
Centrally Appropriated Costs ¹	\$32,136	\$47,755
Total Cost	\$193,058	\$229,667
Total FTE	1.6 FTE	2.5 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.

Staff. The OEDIT will require 1.6 FTE in FY 2025-25, including 1.0 FTE program management staff from September 2024 to June 2025 to research grant programs and set up key meetings and stakeholder connections. This fiscal note assumes the grant program will take six months to set up, so by February 2025 the OEDIT will require 2.0 annual FTE of grant specialists to provide technical assistance to local communities identifying funding opportunities and writing grant applications. The OEDIT also requires 0.5 FTE of program management staff in FY 2025-26 and beyond to continue supporting the program. Standard operating and capital costs are included for this staff, as are travel reimbursement costs that assume 5,000 miles total per year at the rate of 0.59 cents per mile.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are shown in Table 2.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, increasing the amount of General Fund available for other purposes.

Local Government

The bill may increase local government revenue and workload, as local governments may apply for more grants and secure more grant funding than they would without the assistance of the Rural Opportunity Office.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2024-25, the bill requires a General Fund appropriation of \$160,922 to the Office of Economic Development and International Trade, and 1.6 FTE.

State and Local Government Contacts

Counties
Natural Resources

Local Affairs
OEDIT

Municipalities